

City of Annapolis FY 2005 Adopted Budget All Funds Summary

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equities, revenues and expenditures/expenses. Budgets for the following funds are included in this document:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Enterprise Funds - The Enterprise Funds are used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where costs and expenses, including depreciation, are recovered principally through user charges. Individual operations which the City of Annapolis has designated as Enterprise Funds include the Water, Sewer, Off Street Parking, Dock, Market, Transportation, Stormwater Management and Refuse Funds. A description of the individual activities of each Enterprise Fund are given later in this section of the budget.

Special Revenue Fund - Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted by legal and regulatory provisions to finance specific activities. The City's Special Revenue Fund is used to account for Community Development Block Grants received from the Federal Government.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for all governmental fund types.

The following tables summarize the FY 05 Adopted budget for the General, Enterprise and Special Revenue Funds.

<i>FY 2005 Adopted Revenues and Expenditures By Fund</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Inc (Dec) in Fund Equity/Retained Earnings</i>	<i>Subsidized by</i>
General	\$39,754,490	\$39,754,490	\$0	
Water	3,798,560	3,798,560	0	
Sewer	5,020,720	5,020,720	0	
Off Street Parking	2,122,800	1,437,410	685,390	
Dock	926,500	629,180	297,320	
Market	102,000	102,000	0	
Transportation	3,150,000	3,888,030	(738,030)	OSP & Dock
Stormwater Management	240,620	240,620	0	
Refuse	2,410,000	2,654,680	(244,680)	OSP & Dock
Grand Total	\$57,525,690	\$57,525,690	\$0	
Special Revenue Fund *	\$414,000	\$414,000	\$0	

* The Special Revenue Fund amounts are not included in the operating budget totals in this document.

City of Annapolis FY 2005 Adopted Budget All Funds Summary

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The schedule below shows the anticipated beginning and ending unrestricted net assets for each of the City's nine operating funds. Unrestricted net assets is the accumulated total of all prior years' actual revenues in excess of expenditures, commonly referred to as "surplus". It has not been committed ("reserved") for encumbrances, self insurance, or "designated" for capital projects or subsequent years' capital expenditures. Maintaining a prudent level of unrestricted net assets is critical to ensuring that the City is able to cope with financial emergencies and fluctuations in revenue cycles.

<i>Fund</i>	<i>Projected unrestricted net assets, June 30, 2004</i>	<i>Plus projected FY 2005 revenues</i>	<i>Less projected FY 2005 expenditures</i>	<i>Projected unrestricted net assets, June 30, 2005</i>
<i>General</i>	\$2,950,000	\$39,754,490	\$39,754,490	\$2,950,000
<i>Water</i>	730,000	3,798,560	3,798,560	730,000
<i>Sewer</i>	2,650,000	5,020,720	5,020,720	2,650,000
<i>Off Street Parking</i>	3,750,000	2,122,800	* 2,122,800	3,750,000
<i>Dock</i>	1,200,000	926,500	* 926,500	1,200,000
<i>Market</i>	380,000	102,000	102,000	380,000
<i>Transportation</i>	(1,300,000)	* 3,888,030	3,888,030	(1,300,000)
<i>Stormwater Mgmt</i>	150,000	240,620	240,620	150,000
<i>Refuse</i>	780,000	* 2,654,680	2,654,680	780,000
<i>Total Funds</i>	\$11,290,000	\$58,508,400	\$58,508,400	\$11,290,000

* Includes interfund subsidies.

**City of Annapolis FY 2005 Adopted Budget
All Funds Summary**

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<i>Revenues</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>	<i>Percent Change</i>
Taxes	\$19,049,000	\$20,115,750	\$21,590,750	7.33%
Licenses and Permits	2,081,840	2,151,100	2,312,100	7.48%
Intergovernmental Revenues	13,208,710	13,003,310	13,008,800	0.04%
Charges for Services	16,265,330	16,196,100	16,875,500	4.19%
Fines and Forfeitures	1,027,910	974,500	1,324,500	35.92%
Money and Property	1,406,780	1,375,740	1,505,740	9.45%
Other Financing Sources	2,668,000	1,107,940	908,300	-18.02%
Total Revenues	\$55,707,570	\$54,924,440	\$57,525,690	4.74%

<i>Expenditures</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>	<i>Percent Change</i>
Personnel	\$35,088,750	\$37,159,450	\$37,680,240	1.40%
Other Operating Expenditures	12,955,470	12,789,510	13,475,670	5.37%
Capital Outlays	324,130	198,000	107,000	-45.96%
Debt Service	4,461,630	5,653,120	5,489,670	-2.89%
Other Expenditures	(348,790)	(1,595,890)	(110,890)	-93.05%
Contribution to CIP	5,447,040	720,250	884,000	22.74%
Total Expenditures	\$57,928,230	\$54,924,440	\$57,525,690	4.74%

**City of Annapolis FY 2005 Adopted Budget
All Funds Summary**

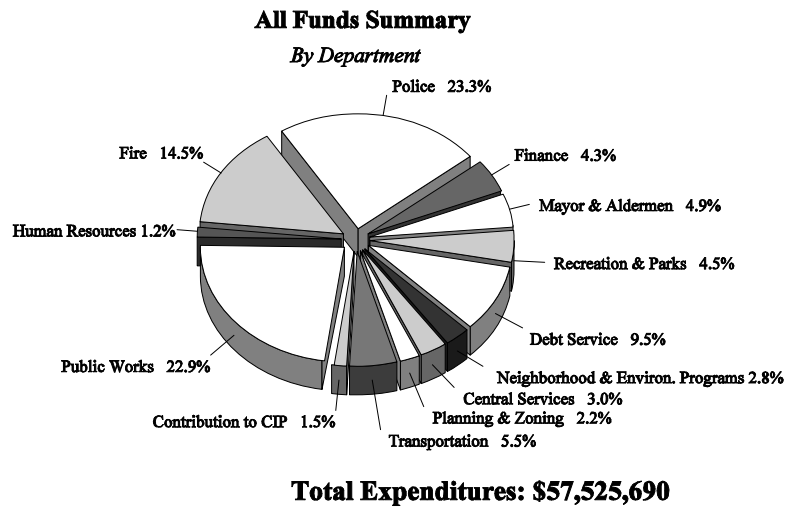
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<i>Expenditures by Department</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>	<i>Percent Change</i>
Mayor and Aldermen	\$2,046,770	\$2,697,100	\$2,816,940	4.44%
Finance	2,054,290	2,223,540	2,470,140	11.09%
Human Resources	622,400	589,320	677,470	14.96%
Planning & Zoning	1,439,090	1,202,670	1,255,690	4.41%
Central Services	1,579,670	1,656,560	1,733,290	4.63%
Police	12,187,060	13,253,180	13,411,950	1.20%
Fire	8,429,630	8,258,800	8,339,580	0.98%
Neighborhood & Environ. Programs	1,126,330	1,474,950	1,590,650	7.84%
Public Works	12,719,880	13,311,530	13,206,930	-0.79%
Recreation & Parks	2,623,970	2,482,450	2,616,860	5.41%
Transportation	3,539,260	2,996,860	3,143,410	4.89%
Other Expenditures	(348,790)	(1,595,890)	(110,890)	-93.05%
Debt Service	4,461,630	5,653,120	5,489,670	-2.89%
Contribution to CIP	5,447,040	720,250	884,000	22.74%
Total Expenditures	\$57,928,230	\$54,924,440	\$57,525,690	4.74%

City of Annapolis FY 2005 Adopted Budget All Funds Summary

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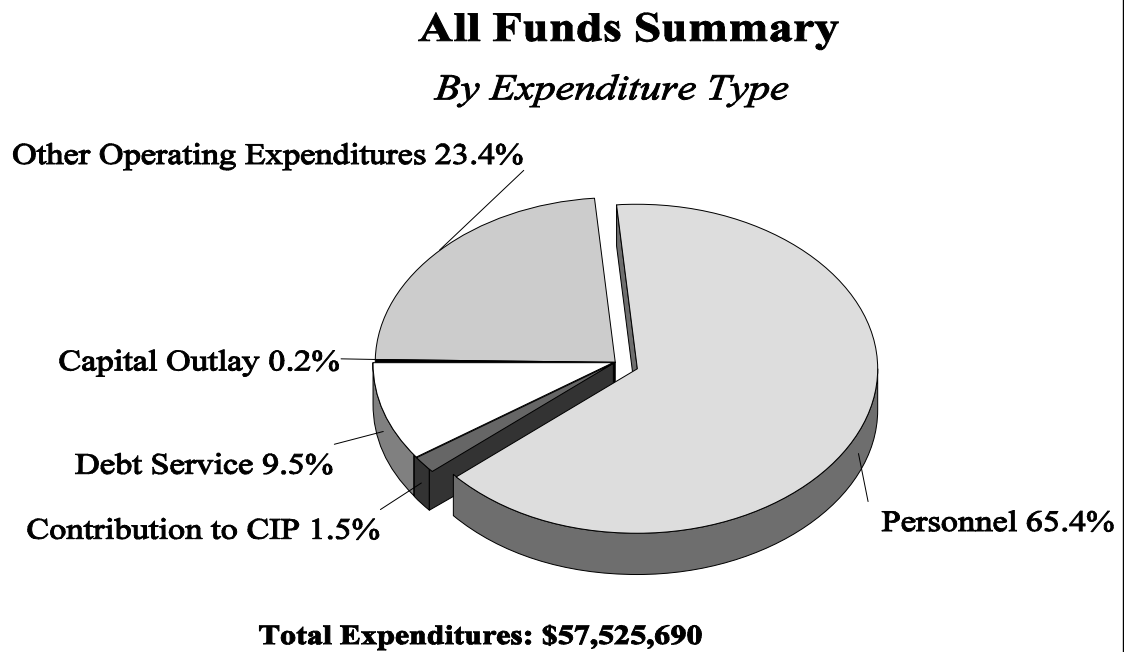
The graph below indicates total Adopted FY 05 expenditures (all funds combined) by department.



City of Annapolis FY 2005 Adopted Budget All Funds Summary

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The graph below indicates total Adopted FY 05 expenditures (all funds combined) by major categories of expenditure.



City of Annapolis
FY 2005 Adopted Revenue Budget for All Funds

<i>Department</i>	<i>General Fund</i>	<i>% of Total</i>	<i>Enterprise Funds</i>	<i>% of Total</i>	<i>Special Revenue Fund</i>	<i>% of Total</i>	<i>Department Total</i>	<i>% of Total</i>
Taxes	\$21,590,750	54.31%	\$0	0.00%	\$0	0.00%	\$21,590,750	37.26%
Licenses and Permits	2,312,100	5.82%	0	0.00%	0	0.00%	2,312,100	3.99%
Intergovernmental Revenues	10,783,800	27.13%	2,225,000	12.52%	414,000	100.00%	13,422,800	23.17%
Charges for Services	1,697,200	4.27%	15,178,300	85.41%	0	0.00%	16,875,500	29.13%
Fines and Forfeitures	1,324,500	3.33%	0	0.00%	0	0.00%	1,324,500	2.29%
Money and Property	1,162,140	2.92%	343,600	1.93%	0	0.00%	1,505,740	2.60%
Other Financing Sources	884,000	2.22%	24,300	0.14%	0	0.00%	908,300	1.57%
Total	\$39,754,490	100.00%	\$17,771,200	100.00%	\$414,000	100.00%	\$57,939,690	100.00%
Less Special Revenue Fund (1)							\$414,000	
Grand Total							\$57,525,690	

(1) The Special Revenue Fund is the Community Development Block Grant fund.

City of Annapolis
FY 2005 Adopted Expenditure Budget By Department for All Funds

<i>Department</i>	<i>General Fund</i>	<i>% of Total</i>	<i>Enterprise Funds</i>	<i>% of Total</i>	<i>Special Revenue Fund</i>	<i>% of Total</i>	<i>Department Total</i>	<i>% of Total</i>
Mayor and Aldermen	\$2,363,660	5.95%	\$453,280	2.55%	\$0	0.00%	\$2,816,940	4.86%
Finance	2,470,140	6.21%	0	0.00%	0	0.00%	2,470,140	4.26%
Human Resources	677,470	1.70%	0	0.00%	0	0.00%	677,470	1.17%
Planning and Zoning	1,255,690	3.16%	0	0.00%	414,000	100.00%	1,669,690	2.88%
Central Services	991,190	2.49%	742,100	4.18%	0	0.00%	1,733,290	2.99%
Police	13,411,950	33.74%	0	0.00%	0	0.00%	13,411,950	23.15%
Fire	8,339,580	20.98%	0	0.00%	0	0.00%	8,339,580	14.39%
Neighborhood & Environmental Programs	1,590,650	4.00%	0	0.00%	0	0.00%	1,590,650	2.75%
Public Works	5,066,650	12.74%	8,140,280	45.81%	0	0.00%	13,206,930	22.79%
Recreation and Parks	2,616,860	6.58%	0	0.00%	0	0.00%	2,616,860	4.52%
Transportation	0	0.00%	3,143,410	17.69%	0	0.00%	3,143,410	5.43%
Other Expenditures	(2,710,350)	(6.82)%	2,599,460	14.63%	0	0.00%	(110,890)	(0.19)%
Debt Service	2,797,000	7.04%	2,692,670	15.15%	0	0.00%	5,489,670	9.47%
Transfer to Capital Projects	884,000	2.22%	0	0.00%	0	0.00%	884,000	1.53%
Total	\$39,754,490	100.00%	\$17,771,200	100.00%	\$414,000	100.00%	\$57,939,690	100.00%
Less Special Revenue Fund (1)							\$414,000	
Grand Total							\$57,525,690	

- (1) The Special Revenue Fund is the Community Development Block Grant fund. The operating portion of this fund partially supports the activities of the Planning and Zoning Department and the capital portion is accounted for in the Capital Improvement Program.

History of Budgeted and Actual Expenditures by Fund FY 2000 - FY 2005

<i>Fund</i>	<i>FY 2000</i>		<i>FY 2001</i>		<i>FY 2002</i>		<i>FY 2003</i>	
	<i>Actual</i>	<i>Original Adopted Budget</i>	<i>Actual</i>	<i>Original Adopted Budget</i>	<i>Actual</i>	<i>Original Adopted Budget</i>	<i>Actual</i>	<i>Original Adopted Budget</i>
General	\$29,289,100	\$31,131,580	\$32,707,550	\$33,118,360	\$39,291,780	\$38,972,530	\$41,300,650	\$39,506,770
Water	3,121,090	3,125,170	3,392,400	3,380,270	3,398,800	3,496,800	3,593,510	3,587,940
Sewer	3,809,890	3,523,850	4,141,130	4,496,520	4,030,710	4,396,920	4,548,380	4,443,680
Off Street Parking	1,226,920	1,822,220	1,291,300	1,241,430	1,810,310	1,514,630	1,272,070	1,353,050
Dock	462,530	685,000	506,790	681,180	560,360	543,800	689,000	591,370
Market	55,880	116,900	74,690	85,090	64,280	76,320	84,470	92,860
Transportation	2,807,120	1,382,600	3,086,540	2,945,060	3,442,320	3,267,340	4,098,670	3,554,430
Stormwater Mgmt	0	0	0	0	0	0	0	0
Refuse	2,132,930	2,292,900	2,085,710	2,325,550	2,266,390	2,370,530	2,341,480	2,441,720
Total	\$42,905,460	\$44,080,220	\$47,286,110	\$48,273,460	\$54,864,950	\$54,638,870	\$57,928,230	\$55,571,820

<i>Fund</i>	<i>FY 2004</i>		<i>FY 2005</i>
	<i>Original Adopted Budget</i>	<i>Revised Budget</i>	<i>Adopted Budget</i>
General	\$37,339,250	\$39,479,260	\$39,754,490
Water	3,782,910	3,974,640	3,798,560
Sewer	5,104,320	4,908,470	5,020,720
Off Street Parking	1,705,690	1,705,690	1,437,410
Dock	671,240	719,240	629,180
Market	116,770	116,770	102,000
Transportation	3,727,010	4,515,710	3,888,030
Stormwater Mgmt	0	205,170	240,620
Refuse	2,477,250	2,528,470	2,654,680
Total	\$54,924,440	\$58,153,420	\$57,525,690

FY 2003 - 2005 Budget Comparison by Fund

The following tables compare the FY 2003, FY 2004 and FY 2005 Budgeted revenue and expenditure budgets for all funds.

<i>Revenues by Fund</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
General	\$39,506,770	\$37,339,250	\$39,754,490
Water	3,587,940	3,782,910	3,798,560
Sewer	4,443,680	5,104,320	5,020,720
Off Street Parking	1,917,000	2,005,690	2,122,800
Dock	591,370	876,500	926,500
Market	92,860	116,770	102,000
Transportation	3,064,200	3,298,000	3,150,000
Stormwater Management	0	0	240,620
Refuse	2,368,000	2,401,000	2,410,000
Grand Total	\$55,571,820	\$54,924,440	\$57,525,690

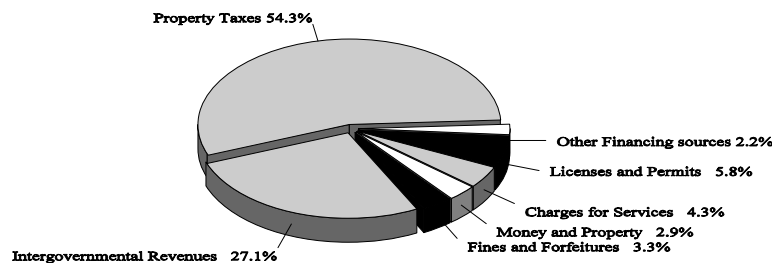
<i>Expenditures by Fund</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
General	\$39,506,770	\$37,339,250	\$39,754,490
Water	3,587,940	3,782,910	3,798,560
Sewer	4,443,680	5,104,320	5,020,720
Off Street Parking	1,353,050	1,705,690	1,437,410
Dock	591,370	671,240	629,180
Market	92,860	116,770	102,000
Transportation	3,554,430	3,727,010	3,888,030
Stormwater Management	0	0	240,620
Refuse	2,441,720	2,477,250	2,654,680
Grand Total	\$55,571,820	\$54,924,440	\$57,525,690

Comparison of Annual General Fund Revenues - All Sources FY 2003 - FY 2005

Total FY 05 General fund revenues are budgeted at \$39,754,490, an increase of 6.47% from FY 04 budgeted revenue and an increase of .63% over actual receipts for FY 03. The categorical descriptions below provide greater insight into the various trends affecting the City's revenue streams.

<i>Revenues</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Property Taxes	\$18,845,750	\$20,115,750	\$21,590,750
Licenses and Permits	1,838,100	2,151,100	2,312,100
Intergovernmental Revenues	10,406,010	10,598,310	10,783,800
Charges for Services	1,589,490	1,620,200	1,697,200
Fines and Forfeitures	856,190	974,500	1,324,500
Money and Property	1,371,540	1,082,140	1,162,140
Other Financing Sources	4,599,690	797,250	884,000
Total Revenues	\$39,506,770	\$37,339,250	\$39,754,490

**Comparison of General Fund Revenues
All Sources**



General Fund Revenues - Detail of Major Revenue Sources

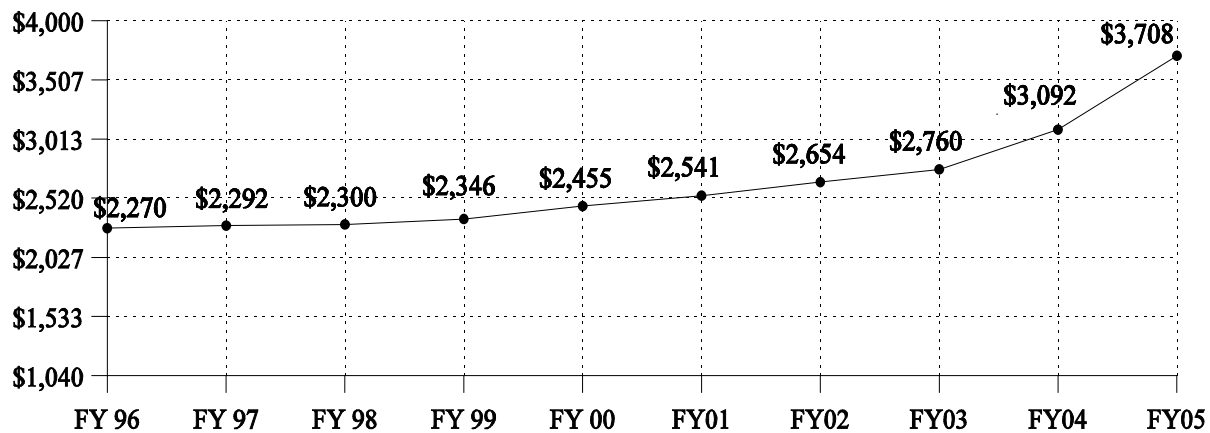
Property Taxes - General

This category of revenue consists of taxes on the assessed value of real estate (including land, structures and improvements) and taxes on the assessed value of inventory, furniture, and fixtures of business establishments. Property is assessed at 100 % of property value. The tax rate is the amount charged per \$100 of assessed value, as determined by the State Department of Assessments and Taxation. The Mayor and Council establish the tax rate each year in order to finance General Fund activities.

The assessable base of all taxable property fluctuates because of changes to the fair cash value of the existing base or because of the addition of new residential or commercial properties. The City is under a tri-annual assessment period for real property and increases are phased in over three years. FY05 figures represent the second year of a new assessment.

Assessable Base of All Taxable Property In Millions of Dollars FY 1996 - FY 2005

Assessable base is defined as the total value of all real and personal property in the City which is used as a basis for levying taxes. Tax exempt property is excluded from the assessable base.



General Fund Revenues - Detail of Major Revenue Sources

Property Taxes - General

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A City resident pays a combined tax rate levied by the City, Anne Arundel County, and the State of Maryland. The County tax rate is reduced for City residents because City residents do not utilize certain County services to the same extent they are used by other non-City, County residents. The cost of education, provided by the County, is the major factor in calculating the credit or tax differential. The tax rates for the last ten years based on full assessed values have been as follows:

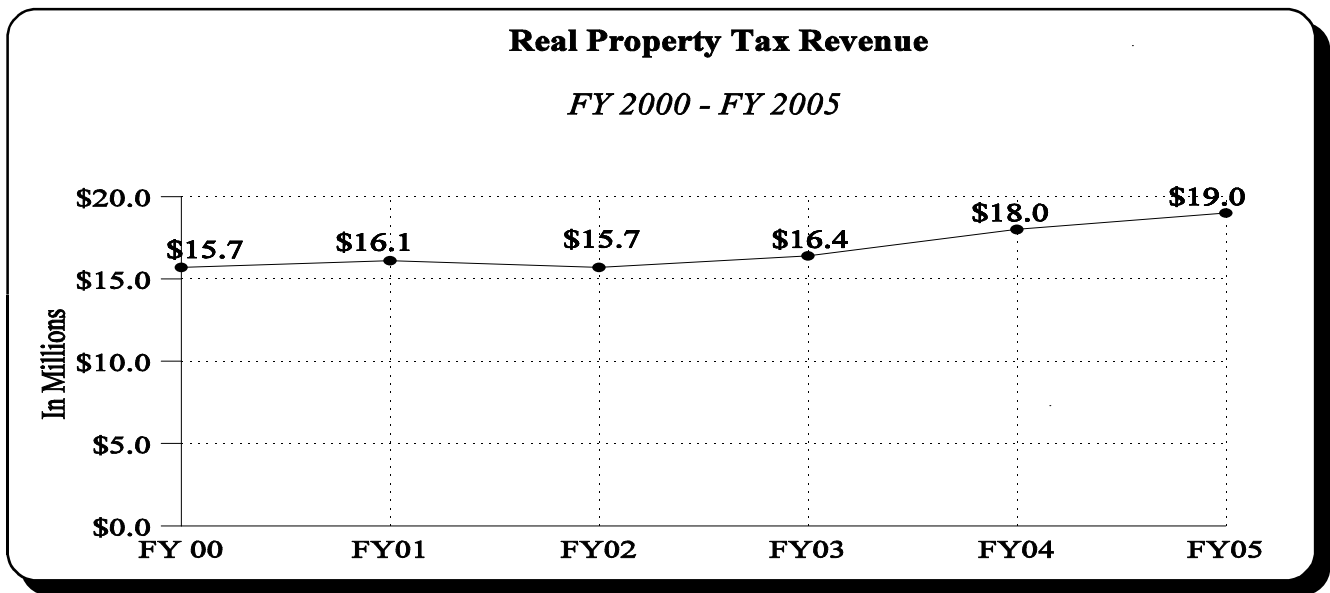
<i>Fiscal Year</i>	<i>City Rate</i>	<i>County Rate</i>	<i>State Rate</i>	<i>Total Rate In the City</i>	<i>County Tax Differential</i>	<i>Non-City County Rate</i>
05	0.580	0.561	0.132	1.273	0.380	0.941
04	0.600	0.555	0.132	1.287	0.400	0.955
03	0.624	0.550	0.084	1.258	0.400	0.950
02	0.624	0.556	0.084	1.264	0.404	0.960
01	0.668	0.556	0.084	1.308	0.404	0.960
00	0.672	0.540	0.084	1.296	0.404	0.944
99	0.680	0.540	0.084	1.304	0.404	0.944
98	0.672	0.548	0.084	1.304	0.404	0.952
97	0.676	0.548	0.084	1.308	0.404	0.952
96	0.692	0.516	0.084	1.292	0.436	0.952

General Fund Revenues - Detail of Major Revenue Sources

Property Tax Revenue

This category of property taxes consists of taxes on the assessed value of real property, which includes land, structures, and improvements. Real property taxes are charged on both residences and commercial establishments. In FY 05, real property taxes alone constitute 48.88% of the City's General Fund budget, net of appropriation of fund balance.

The calculation of assessed value begins with an estimate prepared by the State of the assessed value of all property that will be on the tax roles as of the beginning of the City's FY 05. The estimate of tax revenue is based on multiplying the assessed value by the tax rate, taking into account when during the year the tax on new property is taxed and the impact of appeals and late payments from previous years.



Real Property Tax Revenue History, Projections and Percent Change
FY 2000 - FY 2005

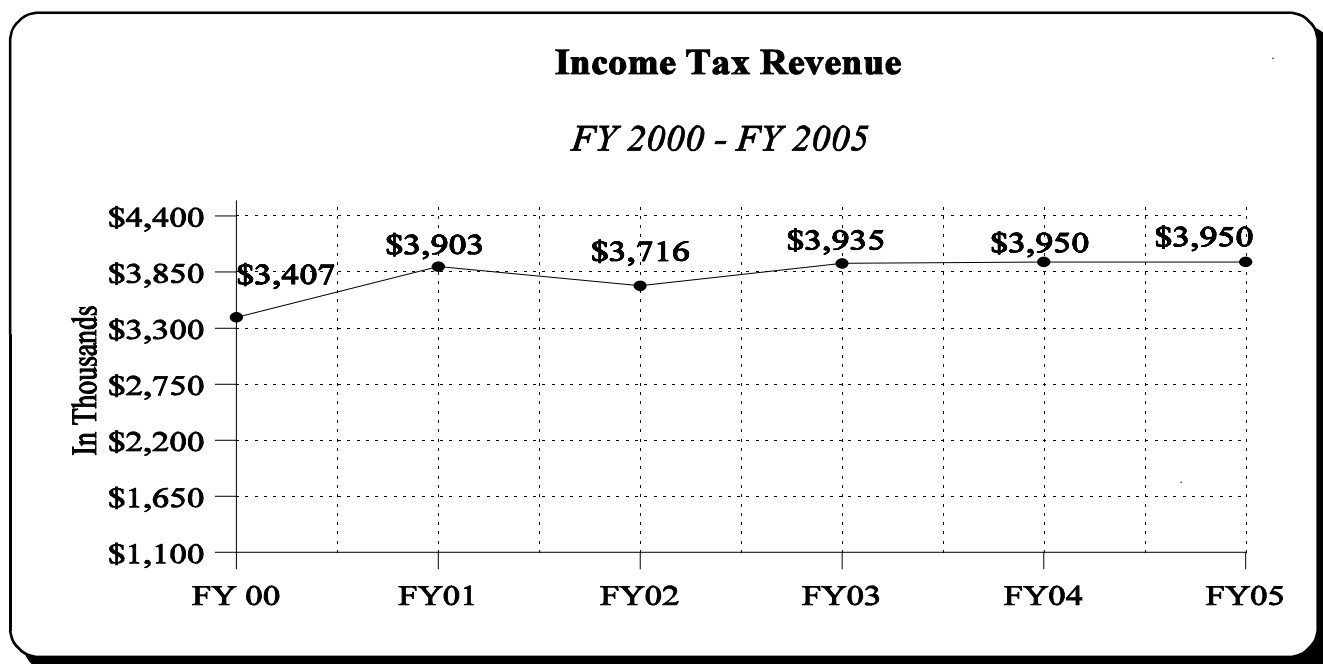
	<i>00 Actual</i>	<i>01 Actual</i>	<i>02 Actual</i>	<i>03 Actual</i>	<i>04 Estimated</i>	<i>05 Budgeted</i>
Revenue	\$15,668,745	\$16,076,390	\$15,666,220	\$16,446,120	\$18,000,100	\$19,000,000
% Change		2.60%	-2.55%	4.98%	9.45%	5.56%

General Fund Revenues - Detail of Major Revenue Sources

Income Tax Revenue

This category of revenue consists of the City's share of income taxes received by the State for returns filed from Annapolis. The income tax is the second largest source of revenue to the General Fund.

Maryland counties are able to impose an income tax that "piggy-backs" on the State income tax. Municipalities receive only a fraction of the piggy-back tax collected by the State from returns filed in the municipality; the County receives the remainder of the tax.



Income Tax Revenue History, Projections and Percent Change
FY 2000 - FY 2005

	<i>00 Actual</i>	<i>01 Actual</i>	<i>02 Actual</i>	<i>03 Actual</i>	<i>04 Estimated</i>	<i>05 Budgeted</i>
Revenue	\$3,406,600	\$3,903,300	\$3,716,110	\$3,934,780	\$3,950,000	\$3,950,000
% Change		14.58%	-4.80%	5.88%	0.39%	0.00%

**General Fund
Revenues - by Source
FY 2003 - FY 2005**

Property Taxes

The real property assessment, at 100%, used to calculate the FY 2005 tax revenue budget is \$3,034,000,000. This is a 4.3% increase over the FY 2004 assessment, at 100%, of \$2,909,000,000. The proposed tax rate for FY 2005 is 58.0 cents, which is a 2.0 cents decrease from the adopted rate for FY 2004, per \$100 of full property value. The proposed personal property rate remains the same at \$1.66.

<i>Property Taxes</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Real Property: Revenues from taxes on assessed value real estate including land, structures, and improvements.	\$16,446,120	\$17,600,000	\$19,000,000
Personal Unincorporated: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of unincorporated businesses.	84,190	87,500	87,500
Personal - Public Utility: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of public utilities.	898,060	845,250	920,250
Personal Corporation: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of incorporated businesses.	1,509,070	1,470,000	1,470,000
Penalties and Taxes: Interest paid on delinquent taxes.	111,560	113,000	113,000
Total Property Taxes	\$19,049,000	\$20,115,750	\$21,590,750

**General Fund
Revenues - by Source
FY 2003 - FY 2005**

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Licenses and Permits

These budgeted increases are based on FY 2003 actual revenue, FY 2004 projections, and the general upward trend of some of these revenue sources.

<i>Licenses and Permits</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Street Use: Fees charged for the use of City street and sidewalk surfaces.	\$100,270	\$91,500	\$100,600
Residential Parking Permits: Revenue from permits issued for parking in residential areas.	69,720	60,100	69,800
Sidewalk Cafes: Fees charged for the use of City sidewalks for restaurants that have sidewalk cafes.	8,100	6,900	8,100
Alcoholic Beverage Licenses: Revenues from licenses issued to allow sale of beer, wine, and liquor.	192,010	206,300	206,300
Traders Licenses: Fees collected from local businesses by the State and returned to the City.	73,720	81,000	81,000
Vendor-Huckster Licenses: Revenue from licenses issued for utility contractors and peddlers.	93,540	69,000	92,000
Towing Licenses: Fees from licenses issued to towing contractors.	40	100	100
Amusements Licenses: Fees charged by the City to operate various types of amusements.	4,230	2,200	4,200
Building Permits: Revenue from permits issued for building construction/electrical work; plumbing, sewer, water, and gas connections.	754,270	950,000	950,000
Cable TV Franchise Fees: Franchise fees for cable television at 5% of gross receipts.	399,580	420,000	450,000
Wastewater Discharge Pretreatment Permits: Fees charged for inspection to obtain permits for "critical uses" connection to the City sewer system.	0	0	0
Other Non-Business Licenses: Revenue from the issuance of local licenses and permits not elsewhere classified.	386,360	264,000	350,000
Total Licenses and Permits	\$2,081,840	\$2,151,100	\$2,312,100

**General Fund
Revenues - by Source
FY 2003 - FY 2005**

- continued -

Intergovernmental Revenues

Although it is likely that the City will receive various grants from other agencies, some have not been included in the FY 2005 budget because the application and acceptance process have not yet been completed. The Police Protection Grant is based on a formula that is calculated by the State. Highway Tax revenue is to be reduced under the pending State budget.

<i>Intergovernmental Revenues</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Other Federal Grants: U.S. Environmental Protection Agency grants for habitat restoration and FEMA grants.	97,010	0	100,000
U.S. Department of Justice Grants: U.S. Department of Justice grants that fund certain costs of local law enforcement and citizen participation in an effort to make communities safer.	52,320	0	0
Police Protection Grant: City's share of State funds allocated to municipalities for police protection.	949,490	1,119,410	1,119,400
BMC Planning Grant: Subsidization of transportation planning activities and salary reimbursement, administered by the Baltimore Metropolitan Council and funded by various federal and state agencies.	35,200	0	0
Critical Area Grant: Assistance to local governments in carrying out their responsibilities under the Chesapeake Bay Critical Area Protection Program, administered by the Critical Area Commission, State of Maryland Department of Natural Resources.	13,000	0	0
HotSpots Grants: State payments to support HotSpots neighborhood and youth programs.	163,470	0	0
Miscellaneous State Grants: Revenue from other state grants that are not listed separately.	413,940	500,000	600,000
Highway Taxes: City's share of gasoline tax and motor vehicle registrations collected by the State.	1,538,040	1,135,200	635,200
Income Taxes: City's share of income tax received by the State for returns filed from Annapolis.	3,934,780	3,650,000	3,950,000
Admissions Receipts: Taxes on admissions are returned to municipalities by the State on the basis of the amount collected.	812,790	800,000	900,000

**General Fund
Revenues - by Source
FY 2003 - FY 2005**

- continued -

<i>Intergovernmental Revenues</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
State Payment in Lieu of Taxes: Revenue received from the State of Maryland in lieu of taxes for fire and police services.	417,000	417,000	417,000
County - 911 Revenue: Revenue received from a portion of the County grant to support the "911" emergency calling system.	192,700	199,000	199,000
Miscellaneous County Grants: Revenue from various grants from Anne Arundel County that are not listed separately.	23,710	13,200	13,200
Electricity: The City's share of sales tax collected on electricity use.	190,730	170,000	190,700
Gas: The City's share of sales tax collected on natural gas use.	28,500	27,000	28,500
Telephone: The City's share of sales tax collected on telephone use.	247,540	240,000	257,500
Fuel: The City's share of sales tax collected on fuel oil use.	3,380	2,500	3,300
Hotel-Motel Tax: Revenue from 7% tax levied on room receipts in the City of Annapolis.	1,485,150	1,780,000	1,780,000
County Payment In Lieu of Taxes: Revenue received from Anne Arundel County in lieu of taxes for fire protection coverage of the Annapolis Neck Peninsula.	544,800	545,000	590,000
Total Intergovernmental Revenues	\$11,143,550	\$10,598,310	\$10,783,800

Charges for Services

An increase in rental unit licenses is expected to result in a 23.9% increase in revenues over those of FY 04.

<i>Charges for Services</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Filing Fees: Charges for services relating to zoning such as map enhancements, text amendments, and use permits.	\$24,150	\$25,200	\$25,200
Rental Unit Licenses: Revenue received for licenses issued to operate a rental dwelling unit.	369,150	323,000	400,000

**General Fund
Revenues - by Source
FY 2003 - FY 2005**

- continued -

<i>Charges for Services</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Fire Safety Inspection Fees: Revenue received from inspections of buildings to ensure that they meet all fire safety requirements concerning life safety.	10,460	18,000	18,000
Parking Meter Fees: Revenues from hourly parking meters located in the downtown area.	577,230	601,000	601,000
Recreation Program Fees: Revenues from fees for various recreation programs and classes.	301,220	290,000	290,000
Recreation-Latchkey Fees: Revenue from before and after school day care programs.	331,560	363,000	363,000
Total Charges for Services	\$1,613,770	\$1,620,200	\$1,697,200

Fines and Forfeitures

Other Fines revenue is expected to increase due to red light cameras located in the City.

<i>Fines and Forfeitures</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Parking Violations: Revenues from parking violation fines.	\$841,850	\$800,000	\$800,000
Municipal Infractions: Revenues received from fines for municipal infractions.	5,410	4,500	4,500
Confiscated Funds: Cash and personal items seized under current law by City Police during the commission of a crime.	138,320	150,000	150,000
Other Fines: Revenue from other miscellaneous fines and late charges on payment of fines.	42,330	20,000	370,000
Total Fines and Forfeitures	\$1,027,910	\$974,500	\$1,324,500

**General Fund
Revenues - by Source
FY 2003 - FY 2005**

- continued -

Use of Money and Property

Interest revenue on the short-term investment of cash balances is expected to remain low through FY 05. The increase in Payments in Lieu of Taxes is due to the annexation of property which consists of a medical office center.

<i>Use of Money and Property</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Interest Income: Interest received from the investment of City funds.	\$613,960	\$400,000	\$400,000
Rents: Revenue from the rental of City property.	273,000	190,000	190,000
Contributions and Donations: Revenue from miscellaneous contributions and donations to fund City activities.	107,620	120,000	120,000
Payments in Lieu of Taxes: Revenues received under special legal agreements with certain entities in lieu of the regular property tax assessment.	\$78,250	\$72,140	\$152,140
Payment for Police Services: Revenues from special dedicated police services.	112,040	100,000	100,000
Miscellaneous Revenues: Revenues not accounted for elsewhere.	240,020	200,000	200,000
Total Use of Money and Property	\$1,424,890	\$1,082,140	\$1,162,140

**General Fund
Revenues - by Source
FY 2003 - FY 2005**

- continued -

Other Financing Sources

Proceeds from other financing sources such as the disposal of fixed assets are not usually budgeted but are part of the actual proceeds for the year.

<i>Other Financing Sources</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>
Operating Fund Transfers: Revenues from miscellaneous operating fund transfers.	529,070	0	0
Appropriated Fund Balance: This is not an actual revenue; however it is a source of funding relied upon in balancing the budget. This funding source provides pay-as-you-go funding support for the Capital Improvements Program. \$884,000 of the general fund balance has been appropriated in FY 2005 to support pay-go project funding.	0	797,250	884,000
Total Other Financing Sources	\$529,070	\$797,250	\$884,000

**City of Annapolis FY 2005 Adopted Budget
General Fund**

<i>Expenditures</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>	<i>Percent Change</i>
Personnel	\$29,266,270	\$31,047,760	\$31,423,010	1.21%
Other Operating Expenditures	6,920,150	6,724,890	7,308,830	8.68%
Capital Outlays	71,680	0	52,000	N/A
Debt Service	2,258,350	2,748,200	2,797,000	1.78%
Other Expenditures	* (1,768,240)	* (3,901,850)	* (2,710,350)	30.54%
Contribution to CIP	4,552,440	720,250	884,000	22.74%
Total Expenditures	\$41,300,650	\$37,339,250	\$39,754,490	6.47%

<i>Expenditures by Department</i>	<i>FY 2003 Actual</i>	<i>FY 2004 Adopted</i>	<i>FY 2005 Adopted</i>	<i>Percent Change</i>
Mayor and Aldermen	1,512,780	2,247,420	2,363,660	5.17%
Finance	2,054,290	2,223,540	2,470,140	11.09%
Human Resources	622,400	589,320	677,470	14.96%
Planning & Zoning	1,439,090	1,202,670	1,255,690	4.41%
Central Services	906,170	917,860	991,190	7.99%
Police	12,187,060	13,253,180	13,411,950	1.20%
Fire	8,429,630	8,258,800	8,339,580	0.98%
Neighborhood & Environ. Programs	1,126,330	1,474,950	1,590,650	7.84%
Public Works	5,356,380	5,122,460	5,066,650	-1.09%
Recreation & Parks	2,623,970	2,482,450	2,616,860	5.41%
Debt Service	2,258,350	2,748,200	2,797,000	1.78%
Other Expenditures	* (1,768,240)	* (3,901,850)	* (2,710,350)	30.54%
Contribution to CIP	4,552,440	720,250	884,000	22.74%
Total Expenditures	\$41,300,650	\$37,339,250	\$39,754,490	6.47%

* The negative dollar amount is the result of the credit to the General Fund for indirect administrative costs allocated to each enterprise fund.

Comparison of Annual General Fund Expenditures FY 1994 - FY 2004

This line chart indicates annual actual general fund expenditures for the ten year period ending FY 04.

